

IASB Partnership with the National Playground Compliance Group – Fact Sheet

OVERVIEW

The agreement between IASB and the National Playground Compliance Group is a typical sponsorship agreement between two entities. It is common practice among non-profits to work with companies that provide services their members may benefit from – the non-profit may endorse such a company and receive a sponsorship fee in return, which helps support the non-profit's work. This practice is entirely legal and legitimate, and is no different than how many other non-profits in Iowa and around the country work, including foundations, hospitals with medical clinics, and other membership organizations like AARP, NRA, etc.

In every one of its business programs, IASB first researches any partner entities and their services to ensure they will truly benefit schools in Iowa. IASB uses the following guidelines from its governing code to ensure a program is worth supporting. The code reads: "The association creates management programs that support member districts in effective school district operation and stewardship of resources. These programs are offered for the following purposes, in priority order:

- enhancing student achievement;
- pooling resources to minimize costs or maximize revenues for school districts;
- reducing administrative time on certain school district operations to allow board members and administrators to focus their efforts on policy development programs and activities directly impacting student achievement;
- establishing collaborative relationships among school districts, the association, other associations, various levels of government, and the private sector.

A program can be initiated by a member or by the association. Potential programs that accomplish none of the listed reasons will not be considered without significant and specific board involvement. When there is competition between new program ideas, priority will be given to the program that creates the greatest net benefit, as measured by the prioritized list of purposes above."

DESCRIPTION

The playground compliance program has evolved over the years. Over 10 years ago, Welch Products of Carlisle began making a variety of products from Iowa scrap tires; Iowa currently generates 3 million scrap tires per year that need to be recycled as they cannot go into landfills. At the same time, there was new interest in building safer and more accessible playgrounds for children. One of the initial products that Welch designed and manufactured was rubber playground surfacing tiles. Studies show that rubber surfaces significantly reduce youth playground injuries. According to the Consumer Product Safety Commission (CPSC), 70 percent of all playground injuries are due to falls to the surface. The Iowa Legislature appropriated funds to the University of Northern Iowa's National Program for Playground Safety for a safe surfacing initiative in 2003, 2004, 2005 and 2006; Welch Products supplied the playground tiles.

Welch Products began working with schools and, in fact, also responded to and won a statewide bid through the Iowa Department of Administrative Services to provide their surfacing to public entities. The company was selected to work with the Iowa Department of Natural Resources on a green technology education grant program, which allowed for over 20 schools across the state to attain new play areas and receive free “green technology education,” through a grant provided by the IDNR waste tire fund and matched by the schools; IASB helped with that project by administering the grant, as requested by the DNR.

As Welch Products began working with schools, they discovered the need for assistance in planning, designing, managing and supervising fully ADA accessible and compliant playgrounds, as well as safe, high-quality recreational and outdoor fitness equipment. Most playgrounds in Iowa are not ADA compliant and schools were looking for new recreational solutions to fight childhood obesity issues. To better assist schools and other clients with these needs, Welch Products created a new company called the National Playground Compliance Group. It also purchased a Midwest-based playground equipment manufacturer to better serve the schools. These companies in October of 2007 merged with Iowa’s largest tire recycler at the time, GreenMan Technologies, to become a fully integrated organization that could aid schools, from initial planning and design, to installation of equipment. (In late 2008 GreenMan sold the tire recycling operation but NPCG still purchases recycled tires in the form of crumb rubber from Iowa for their playground surfacing.)

Aside from being environmentally friendly, the biggest benefits to schools working with this group are that they are not simply a dealer or broker of playground products, but they will consult with a potential school client, assess the site, create design plans for a fully compliant playground, and then if the school wishes to move forward, they can also provide and install the surfacing, provide and install the equipment, and train school staff on proper maintenance and safety precautions. When the dollar amount of a playground reaches the competitive quote or bid thresholds that public schools abide by, schools do put these projects out to competitive quote or bid, giving other companies equal opportunity to develop a proposal. Even when projects are under those thresholds, districts often will get informal quotes as they do their due diligence. The National Playground Compliance Group is based in Iowa, has created local jobs and all the technology has been developed in Iowa.

Over the past six years, this group of companies have provided products and compliance services to over 150 school districts in Iowa and recycled approximately 17 million Iowa scrap tires. Almost 250,000 of these tires were used specifically in playgrounds.

AGREEMENT

IASB first signed an agreement with this group in 2004. At that time, IASB agreed to endorse the program and perform some minimal marketing/administrative functions that included creating brochures and other marketing materials, preparing Web content for the program, e-mailing information to members, etc. In return, IASB received payment of

\$1.50 per playground tile sold to Iowa schools through the program. In 2008, the agreement was amended so that instead of a per tile fee, IASB received 5 percent of surfacing sales and 2 percent of equipment and playground compliance inspections. The playground company has now grown to other states and has similar agreements with other school board associations. Because IASB was the first association to work with the company, and continues to assist with marketing materials and efforts used in other states, the company also pays IASB/LGS \$0.20 per tile sold to schools in other states.

INCOME

Over the years, IASB has typically received between \$20,000 and \$30,000 annually from the playground compliance program. The exact amounts are shown below:

	IASB Marketing/Sponsorship	IASB DNR Grant Admin	LGS Marketing/Sponsorship	TOTAL
2008-09	3,116	5,000	2,122	10,237
2007-08	22,356	-	3,451	25,807
2006-07	27,660	-	4,078	31,738
2005-06	30,893	-	-	30,893
2004-05	6,155	-	-	6,155
TOTAL	90,178	5,000	9,651	104,829